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EDITORS: COMMITTEE MEETS IN CLOSED SESSION AT 10 A.M. EST
BY DANIEL F. GILMORE

WASHINGTON (UPI) -- THE SENATE INTELLIGENCE COMMITTEE TODAY SUMMONED CIA PERSONNEL TO ANSWER CHARGES THEIR AGENTS SPIED ON MICRONESIAN DELEGATES WHO ARE NEGOTIATING WITH WASHINGTON FOR EVENTUAL INDEPENDENCE.

THE CLOSED-DOOR MEETING FOLLOWS A REQUEST TO THE U.N. TRUSTEESHIP COUNCIL BY THE MICRONESIAN CONGRESS ASKING AN INVESTIGATION AND ALSO REQUESTING A "POLICY STATEMENT" FROM THE UNITED STATES WHICH ADMINISTERS THE MORE THAN 2,000 ATOLLS AND ISLANDS SCATTERED ACROSS 3 MILLION SQUARE MILES OF THE PACIFIC.

FORMER CIA DIRECTOR WILLIAM COLBY AND ACTING DIRECTOR E. HENRY KNOCKE WERE SUMMONED TO TODAY'S MEETING, CHAIRED BY SEN. DANIEL INOUE, D-HAWAII.

THE INQUIRY, EXPECTED TO LAST AT LEAST TWO DAYS, ALSO WILL HEAR FROM HAYDN WILLIAMS, WHO RESIGNED LATE LAST YEAR AS GERALD FORD'S PERSONAL REPRESENTATIVE AT THE MICRONESIAN TALKS, AND REP. PHILLIP BURTON, D-CALIF., CHAIRMAN OF THE HOUSE TERRITORIAL AND INSULAR AFFAIRS SUBCOMMITTEE.

THE CIA IS ALLEGED TO HAVE CARRIED OUT ELECTRONIC SURVEILLANCE ON THE MICRONESIAN DELEGATES AS FAR BACK AS 1972, PASSING REPORTS ON THEIR STRATEGY TO U.S. NEGOTIATORS.

INTELLIGENCE AGENTS WERE SAID TO HAVE JUSTIFIED THEIR ACTION BECAUSE MICRONESIANS ARE NOT AMERICAN CITIZENS.

ALTHOUGH THE UNITED STATES NOW HAS ONLY A MISSILE-TESTING BASE ON ONE OF THE ISLANDS, THE DEFENSE DEPARTMENT WAS REPORTED CONCERNED THAT BASES MAY BE NEEDED THERE, OR THAT POTENTIALLY HOSTILE POWERS MIGHT TRY TO MOVE IN.

U.N. TRUSTEESHIPS WERE ESTABLISHED OVER 12 PACIFIC GROUPS AFTER WORLD WAR II AND ONLY MICRONESIA STILL IS UNDER AMERICAN ADMINISTRATIVE AUTHORITY.

CONGRESS ALLOCATES \$80 MILLION A YEAR FOR MICRONESIA'S 110,000 POPULATION WHOSE REPRESENTATIVES NOW WANT INDEPENDENCE RATHER THAN AN EVENTUAL "FREE ASSOCIATION" AS WASHINGTON HAS PROPOSED.

THE U.S.-MICRONESIAN NEGOTIATIONS, WHICH HAVE BEEN HELD BOTH IN WASHINGTON AND ON SAIPAN, HAVE BEEN RECESSED SINCE LAST NOVEMBER.

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The Washington Star

23 JAN 1977

CIA Still Needs a Outsider to Restore Trust

By David Wise

Theodore Sorensen, the spy left out in the cold of President Carter's inaugural week, said he felt as though he had been "blindsided by a truck." The questions being asked now are:

- Who was the driver?
- What kind of a person should Carter appoint to CIA now? Some prefer that he turn to an intelligence insider. But, paradoxically and despite Sorensen's withdrawal, only an outsider — not a professional spy — has any chance of restoring CIA's shattered image.

Forty-eight hours after Sorensen had, dramatically, withdrawn his name from Senate consideration as nominee for director of central intelligence, former CIA chief William E. Colby said that he had turned down an approach by "a political figure," whom he did not identify, to join in a campaign to torpedo Sorensen. Colby also said he found Sorensen's qualifications for the CIA job "quite impressive."

Other former and present CIA officials managed to suppress their enthusiasm for the late President Kennedy's chief adviser and speech writer. In the CIA and the Pentagon, intelligence professionals had been talking against the nomination for several weeks.

It is clear that Sorensen himself believed that he had, in part, been the victim of a covert operation in which some CIA officials had participated. "Some members of the intelligence community" had spread falsehoods about him, Sorensen claimed.

Sorensen is a high-powered New York attorney with the firm of Paul, Weiss, Rifkind, Wharton & Garrison, and a craftsman with words, so his use of the broad phrase "intelligence community" to describe his opponents was not accidental. Sorensen did not wish to single out CIA, since the agency's senior officials had been courteous and helpful in briefing him on what he thought would be his new responsibilities. For several days, Sorensen had actually been working at CIA, using the office of E. Henry Knoche, the agency's deputy director.

The opposition to Sorensen, however, was not confined to the CIA or "the intelligence community." Soren-

David Wise is author of The American Police State, a new book on American intelligence agencies.

sen also blamed right wing groups, including the American Conservative Union — which happily took credit for helping to block his nomination.

But the forces arrayed against Carter's nominee were far broader than that. The CIA, other military and intelligence officials, right wing organizations, Republican and Democratic conservatives on the Senate Intelligence Committee, some Democratic liberals on the committee, Senate Democratic leader Robert C. Byrd and Republican leader Howard H. Baker Jr., and elements in the press all joined hands in an unlikely alliance to stage a faintly bizarre sort of counter-inaugural.

So, to our first question we surely must answer that the intelligence community and its friends had an

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CARTER IS UNDECIDED ON DIRECTOR OF C.I.A.

Says He Is Considering Gavin and
Others — Cuts Temperature
in White House to 65

By JAMES T. WOOTEN

Special to The New York Times

WASHINGTON, Jan. 22 — President Carter mixed the business of his new job with postinaugural hospitality today, presiding over the first meeting of his mowdneniual National Security Council and welcoming another long line of visitors to a chilly White House.

With thermostats in the old mansion lowered to 65 degrees, the level he urged for the country in an energy conservation message yesterday, Mr. Carter spent his second full day on the job in the company of the men who will be involved in the shaping of his foreign policy and defense posture and hundreds of diplomats, members of Congress and military officials.

Meanwhile, rumors of his choice for Director of Central Intelligence swirled around town like the dancers at his inaugural balls, with James M. Gavin, a retired Army general, and Paul C. Warnke, a former Assistant Secretary of Defense, being among those mentioned.

But the new President, in a brief chat at a cordial reception for Congress, said that he had not yet made any decision on a nominee, and a knowledgeable White House source suggested a high degree of improbability for the choice of Mr. Gavin.

Replacement for Sorensen

Mr. Carter's original selection, Theodore C. Sorensen, withdrew Monday when it became evident that he would not be recommended for the job by the Senate Select Committee on Intelligence. Since then, several names have appeared, including Mr. Gavin, a 70-year-old former Ambassador to France, and Mr. Warnke, known principally in Washington as an eloquent adversary of United States involvement in Vietnam.

Private conversations with some members of the intelligence committee today suggested that Mr. Warnke may be the President's most probable choice, but neither Mr. Carter nor influential members of his staff would confirm the Senators' speculation.

The President responded to published reports that Mr. Gavin would be nominated by saying "there is no substance to them," but he did confirm that Mr. Gavin was among those being considered.

Later, several members of the intelligence committee staff expressed surprise that the President would consider a man

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"Whoever goes there is going to need considerable energy and stamina, as well as ability," said one former employee of the committee, noting that most of the others reportedly under consideration by Mr. Carter are in their early or mid-fifties.

These included Burke Marshall, a former Assistant Attorney General; Thomas Hughes, a former State Department intelligence chief, now head of the Carnegie Endowment for Peace; Gerard C. Smith, who was previously the director of the Arms Control and Disarmament Agency, and Mr. Warnke.

The reception for the senators and representatives and their spouses followed the first meeting of the National Security Council, the opening note on Mr. Carter's schedule today.

Mondale Trip Discussed

With a wood fire crackling in the fireplace of the Cabinet Room, just a few steps away from the Oval Office, the President and the members of the council, including three Cabinet Secretaries, discussed Vice President Mondale's goodwill mission to Europe and Japan, a trip that begins tomorrow and was described today by White House officials as much more substantive than symbolic.

"The President sees this journey as an important mission of fact finding and consultation at a time when the importance of economic and political cooperation to define and resolve mutual problems has never been greater," Jody Powell, Mr. Carter's press secretary, said.

In the same statement, Mr. Powell announced formally the expected realignment of the National Security Council. Ordered by the President and devised by his national security adviser, Zbigniew Brzezinski, the alteration reduces the number of committees in the council from seven to two—a Committee on Policy Review and a Committee on Special Coordination.

The restructuring reflects Mr. Carter's "desire for more simplified and responsive organization," Mr. Powell said.

Calls Over Draft Pardon

While the President and Mrs. Carter were greeting their guests today, including some 2,000 foreign diplomats and high-ranking military officers, the White House switchboard was busy with a constant stream of calls concerning his pardon of Vietnam draft resisters.

No official canvass of the calls was made available by the White House press office, but one staff member said there had been "several" in support of the President's decision.

Mrs. Carter had breakfast in the mansion today with Mrs. Jose Lopez Portillo, the wife of the Mexican President, before joining her husband and the Mondales for the Congressional reception, lunch in the family dining room, and the diplomatic and military parties later in the day.

The President announced his decision to reduce room temperatures at the White House when he opened the meeting of the security council, attended by the Vice President; Cyrus R. Vance, W. Michael Blumenthal and Harold Brown, the new Secretaries of State, Treasury and Defense; Gen. George S. Brown, Chairman of the Joint Chiefs of Staff; Enno H. Knoche, the acting director of the C. I. A.; Charles L. Schultze, the President's chief economic adviser; Mr. Brzezinski and his deputy, David Aaron.

"It will be good for sweaters," Mr. Carter joked as the group assembled in the chilly room, a judgment in which many of the White House staff members concurred.

Like the President's mother, Lillian Carter, most of the members of his family were heading back to their homes today. His two youngest sons, Jeff and Chip, and their wives will be living in the White House.

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WASHINGTON STAR
23 JANUARY 1977

Carter Eliminates 5 Committees on National Security

By James R. Dickenson
Washington Star Staff Writer

President Carter took the first step in his promise to reorganize and streamline the executive branch of the federal government yesterday by cutting the number of committees of the National Security Council from seven to two.

The announcement of the reorganization came after he met with members of the NSC to discuss the reorganization and Vice President Walter Mondale's nine-day, six-nation, 21,170-mile round-the-world trip on which he is embarking today.

At 2 p.m. today Carter will attend the swearing in of eight of his Cabinet appointees and four Cabinet-level advisers. They are Secretary of State Cyrus Vance, Secretary of the Treasury Michael Blumenthal, Secretary of Defense Harold Brown, Secretary of the Interior Cecil Andrus, Secretary of Housing and Urban Development Patricia Harris, Secretary of Commerce Juanita Kreps, Secretary of Transportation Brock Adams and Secretary of Agriculture Bob Bergland.

The Cabinet-level White House advisers are national security adviser Zbigniew Brzezinski, Charles Schultze, chairman of the Council of Economic Advisers, OMB Director Thomas B. Lance and energy chief James R. Schlesinger.

Three Cabinet members still await confirmation — Griffin Bell as attorney general, Joseph Califano as secretary of health, education and welfare, and Ray Marshall as labor secretary. All are expected to win delayed Senate approval this week.

CARTER'S NSC reorganization is the result of his determination to integrate foreign and domestic policies, integrate domestic and international economics with foreign policy, divert authority and responsibility from the White House to the Cabinet departments and to simply streamline the machinery of the government.

The new committees will be the Committee on Policy Review which will be chaired by either the secretary of state, defense or treasury and occasionally by Schultze, depending on the questions under consideration. The other is the Committee on Special

Coordination of which Brzezinski will be chairman.

Carter is determined to give greater consideration to the impact of economic matters on foreign affairs and thus Blumenthal or Schultze will act as chairman when economic questions are uppermost. Brown will be chairman when the NSC is considering defense and national security matters and Vance when diplomatic concerns and over-all foreign policy are under consideration.

Because of his emphasis on economics, Carter plans to invite Lance to most of the meetings. The statutory members of the NSC are the president, vice president, secretary of state, secretary of defense and secretary of the treasury.

But the people at yesterday's meeting will probably attend most meetings in the future. They included Carter, Mondale, Vance, Brown, Blumenthal, Brzezinski, Schultze, Gen. George S. Brown, chairman of the Joint Chiefs of Staff, acting CIA Director Enno H. Knoche and Brzezinski's deputy assistant, David Aaron.

THE REORGANIZATION was "devised and ordered by the President himself," according to Press Secretary Jody Powell. "It reflects his desire for more simplicity and responsive organization throughout the government."

Brzezinski made a number of recommendations based on Carter's desired goals in late December and they made the basic decisions in mid-January.

"The President's main concern was that there were too many committees and that they all have basically the same membership," said a Brzezinski aide. "They just call them

selves by different names when they discuss different matters."

As the NSC evolved under Henry Kissinger, who was national security adviser until forced to leave the job after becoming secretary of state, the national security adviser acted as chairman of most of the seven committees, which was Kissinger's way of centralizing his control over foreign policy.

Carter's determination to give more control to the Cabinet officers on the NSC was encouraged by watching what happened to the Defense Review Panel after then-President Ford agreed to former Secretary of Defense Donald Rumsfeld's request about a year and a half ago to be chairman of the committee. "It was very instructive reviewing how much more active and how much more initiative the panel took under a department head," said the Brzezinski aide.

THE SEVEN former committees of the NSC were the Operational Advisory Group, the Washington Special Action Group (WASAG) which was the crisis management committee and evolved from President Kennedy's EXCOM, which managed the Cuban missile crisis; the Committee on Foreign Intelligence, the Senior Review Group, the Defense Review Panel, the Undersecretary's Committee, and the Verification Panel, which supervised the Strategic Arms Limitations Talks.

When he was national security adviser, Kissinger was chairman of all except the Foreign Intelligence Committee, which was headed by the CIA director, the Senior Review Group and the Undersecretary's Committee, which were chaired by the assistant secretary of state.

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Deputy to Head C.I.A. Pending Carter Choice

Special to The New York Times

WASHINGTON, Jan. 17 — In the absence of a designated director, the Central Intelligence Agency will be run by a deputy after the outgoing director, George Bush, leaves office Jan. 19, C.I.A. officials said today.

The acting C.I.A. director will be Enno Henry Knoche, who was appointed deputy director of the agency last spring. Mr. Knoche was formerly in the Directorate of Intelligence at the C.I.A. Jody Powell, spokesman for President-elect Carter, said after Theodore C. Sorensen withdrew his candidacy for the intelligence directorship that a new nominee would be chosen only after the inauguration of Mr. Carter on Thursday.